



8. Partner Bank Case Studies

8.1. Equity Bank and Equity Afia – Improving Access to Quality Healthcare Across East and Central Africa

Brief description of the initiative

Equity Afia is the flagship programme of the Equity Group Foundation (EGF)'s health sector engagement, with a mission to provide access to inclusive, standardised, quality healthcare and health financing to enable people to lead productive lives. This initiative was spurred by the recognition that there is a strong causative link between health and other key socioeconomic sectors that underpin broad-based economic development.

What were the key objectives of this initiative?

Equity Afia is an integrated model whose success is measured through the achievement of the following three key objectives:

Objective 1: Provider Reforms (Health Professionals)

- To develop healthcare services of a standardised high quality, using a high-volume, low-margin (HV-LM) model.
- To use an entrepreneurship model (franchising) to increase access to affordable and standardised high-quality outpatient care across the East and Central Africa region.

Objective 2: Client Reforms (Patients)

- To increase health literacy and health insurance among clients.

Objective 3: Payer Reforms (Insurance)

- To develop an affordable, comprehensive private health insurance product using an HV-LM model.
- To scale affordable, comprehensive health insurance products using an HV-LM model.



Equity Afia currently operates 57 clinics, which manage an average of 50 000 patients per month.

How was this initiative executed?

Equity Afia's first five clinics were established in 2016 and 2017. Since then, the model has been refined, with the clinics continuing to scale in terms of clinic numbers, geographic spread and patients seen. Equity Afia currently operates 57 clinics, which manage an average of 50 000 patients per month – including both out-of-pocket and insured patients. As at the close of 2021, the network had attended to more than 700 000 patients cumulatively since operations commenced in 2016.

Equity Afia clinics by year



Clinic numbers - Growth



The clinics are set up as tiered facilities to ensure that basic services are accessible at community level, with the intention of enhancing community engagement and interaction and serving as bases to expand community health promotion and prevention activities. The goal is also to support a localised understanding of the interactions between sectors such as health, nutrition, and agriculture, as well as the effects of climate change on health.

The clinics are franchised by the EGF and are run by alumni of the Equity Leadership Programme, which unites the education, enterprise development and financial inclusion pillars of the Foundation. The EGF oversees quality and pricing operations for Equity Afia to safeguard and assure affordability with a sustained high quality. While the service level has been matched to leading hospitals and health facilities in Kenya, costs are maintained at 40-50% less than these facilities.

How was this initiative successful?

This franchised social entrepreneurship model forms the basis of a sustainable solution that is efficient and financially viable, presenting an entrepreneurship opportunity for franchising medics. It also provides employment at the facilities for various levels of health workers and promotes good public health in communities where the facilities are located. As Equity Afia expands, these benefits increase.

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Given its past successes and future ambitions, Equity Afia stands out as a truly world-class example of how traditional Corporate Social Responsibility (CSR) engagement can be leveraged to benefit the core business of the bank (through synergies with banking and insurance products as well as marketing), while simultaneously scaling the positive social impact the initiative has on society.

What is the way forward for this initiative?

Equity Afia currently has a presence in 19 of 47 counties in Kenya, growing geographic access to outpatient health services. Equity Afia is also exploring an expansion into the East and Central Africa region in 2022. This will target the DRC, Uganda and Rwanda and the group will be seeking partnerships in these countries, with an ambitious objective of establishing at least 1 000 facilities across the region over the next five years.

This expansion is deemed feasible in large part due to the harnessing of synergies across the EGF's other pillars of social impact, namely Equity Group's banking sector healthcare financing products (including a range of emerging insurance products), proven experience in health enterprise development, strong brand visibility and Equity Afia's own proven operational model and evidence-based clinical quality protocols.





The bond is the first social (gender) bond in East Africa with key objectives of demonstrating NMB's commitment to socioeconomic empowerment.

8.2. NMB Jasiri Bond - Making Sustainable Finance History in Support of Economic Empowerment of Women

In February 2022, NMB wrote an important chapter in sustainable finance history when it issued the first social (gender) bond by an East African financial institution. The bond, which was heavily oversubscribed, raised TZS 74 billion (about USD 30 million) against the originally anticipated TZS 25 billion target (about USD 10 million). It broke further barriers in April 2022 when it became the first ever social (gender) bond to list on a Sub-Saharan African bond exchange.

Arise played a modest role in supporting the bond issuance, mainly by arranging for two of NMB's staff to attend the IFC/ICMA Green, Social and Sustainability Bonds Executive Training Course in the last quarter of 2021. The training was well received by the bank and NMB has subsequently enrolled several senior staff to attend the same course in 2022.

Brief description of the initiative

The NMB Jasiri Bond is a social bond, which primarily targets gender empowerment. Boasting a three-year tenor, the bond is issued at par with a coupon rate of 8.5%, which is paid quarterly. The bond is issued in Tanzanian Shillings (TZS).

What were the key objectives of this initiative?

The NMB Jasiri Bond is the first social bond in East Africa with key objectives of demonstrating NMB's

commitment to socioeconomic empowerment and the United Nations' Sustainable Development Goals (SDGs) relating to Gender Equality (SDG 5) and Reduced Inequalities (SDG 10). The aim of issuing the bond was to diversify the bank's funding base to finance the Jasiri Women's Proposition for the bank. The net proceeds for the bond will primarily go to finance micro, small and medium-sized enterprises (MSMEs) owned or led by women and those businesses whose products and services directly impact women.

How was this initiative successfully executed?

To bring the bond to market, NMB worked with FSD Africa, who offered technical input in the development of the NMB Social Bond framework. Also, two team members from NMB received executive training from the IFC and International Capital Markets Association (ICMA) on Green, Social and Sustainability bonds that enhanced the team's ability to put together a thorough Social Bond Framework that aligns with the ICMA 2021 Social Bond Principles. The Framework received a Second Party Opinion (SPO) from Sustainalytics, with the assistance of FSD Africa. NMB Bank PLC also worked with Orbit Securities Ltd as a sponsoring broker in this issuance.

The issuance was approved by the Capital Markets & Securities Authority (CMSA) in February 2022. It was the fourth and last tranche of the bank's TZS 200 billion Medium Term Note (MTN) Programme.

What were the challenges, if any?

Being the bank's first social bond issuance, several challenges arose, which included the following:

- The extended time it took to develop the Social Bond Framework and get an SPO, which resulted in the bank needing to move dates of issuance from 2021 to the first quarter of 2022
- Gaining insight about the extensive amount of information required by foreign investors before they can make a commitment and invest in a bond.

However, the experience gained through this issuance will help the bank to implement its planned future sustainability bond issuance more smoothly and will enable NMB to provide advisory services to other issuers on similar processes.

How was this initiative successful?

Successes include:

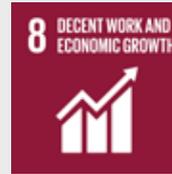
- The bond being oversubscribed by 197% and the CMSA approving the full amount subscribed

- The bond received traction from both local investors (retail and institutional) and foreign impact investors such as the IFC, who subscribed about 31% of the bond size. This has fostered financial inclusion in the country by providing a new asset class for local investors
- The bond being listed on 28 April 2022 on the Dar es Salaam Stock exchange, making the exchange the first in Sub-Saharan Africa to list a social bond focused on gender equality.

What is the way forward for this initiative?

NMB will continue to play a key stakeholder role in its capital markets. The bank is in the process of developing a Global Medium-Term Note (GMTN) programme, which will allow more issuances of sustainability-focused bonds and other social bonds. The NMB Social Bond Framework under which the Jasiri Bond was issued already makes allowance for NMB to raise financing in future issuances for several other critical social investment needs, such as access to essential healthcare services and food security. Hence, the bank already has a foundation on which to expand on the Jasiri Bond success.

NMB SOCIAL BOND FRAMEWORK		
Social investment category	Target population	Targeted SDGs
Access to Essential Healthcare Services	<ul style="list-style-type: none"> • Underserved, owing to a lack of quality access to essential goods and services • Sick, elderly or vulnerable people 	3, 10
Employment Generation	<ul style="list-style-type: none"> • Micro, small and medium-sized enterprises (MSMEs) 	10, 1, 8
Socioeconomic Empowerment – Gender Inclusion	<ul style="list-style-type: none"> • Women 	5, 10
Food Security and Sustainable Food Systems	<ul style="list-style-type: none"> • Farmers living in rural areas marked by food insecurity • Smallholder farmers 	1, 2

Targeted SDG Key					
 <p>1 NO POVERTY</p>	 <p>2 ZERO HUNGER</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p>	 <p>5 GENDER EQUALITY</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	 <p>10 REDUCED INEQUALITIES</p>

8.3. Zanaco Plants a Million Trees Initiative – Engaging Young People in Environmental Conservation and Climate Action

Brief description of the initiative

Zanaco launched a tree planting initiative dubbed “Zanaco Plants a Million” project on 5 May 2022. The project aims to fulfil the bank’s commitment towards sustainable action. Through this initiative Zanaco aims to plant in excess of 1 million trees across the country. The trees will be planted at schools in areas where the bank has a presence.

What was the key objective of this initiative?

The objective of launching the initiative was to begin to deliver on the ESG strategy that the bank has included as a priority in its ambitions to be the number one bank in Zambia. Zanaco’s Environmental, Social, and Corporate Governance (ESG) is an evaluation of the bank’s collective conscientiousness for social and environmental factors. The bank is therefore placing great importance on solutioning and participating in initiatives for environmental sustainability. Zanaco aims on playing a role of advocacy in order to preserve our environment for future generations.

How was the initiative successfully executed?

Zanaco identified a school with an existing environmental club to launch the initiative. The bank further partnered with youth that were already actively pursuing activities in environmental sustainability. This team mobilised additional youth to support the launch of the tree planting exercise. The Country’s Minister of Green Economy and Environment was present to endorse the launch of the initiative. Also present was the Country’s Climate Change Ambassador.

What were the challenges if any?

The challenge leading up to the launch was the process of assessing and considering which different partners to collaborate with on the initiative. This delayed the launch of the project and also meant that the tree planting would be taking place outside of the recommended tree planting season.

What were the successes and how has this initiative addressed the need?

Much visibility was achieved for the launch of the programme, which sparked interest from many other organisations and charities that are seeking to partner with Zanaco on the Plant a Million initiative. The project is ongoing, but we believe that in partnership with the schools, who we will support with the monitoring and caring of the trees, we anticipate that the project will help raise awareness of Zambia’s serious deforestation issue while helping to address nutritional challenges and enhance the physical environment.

What is the way forward for this initiative?

Zanaco will drive the tree planting initiative for the next three years to meet the target of 1 million trees. The initiative will continue to be driven through the branches and within departments and divisions. The initiative will extend to departments, divisions and branches pledging their commitments to achieve the bank’s tree planting target.

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Through this initiative Zanaco aims to plant in excess of 1 million trees across the country.”





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